

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of transfer of control of Coastal Telecom Limited Liability Company d/b/a Coastal Telephone Company (holder of IXC Certificate No. 4737) to Eclipse Telecommunications, Inc. (holder of IXC Certificate No. 3178) and ensuing merger of Coastal into Eclipse, and cancellation of Coastal Telecom's IXC Certificate No. 4737.

DOCKET NO. 990115-TI
ORDER NO. PSC-99-0833-FOF-TI
ISSUED: April 23, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING TRANSFER OF CONTROL AND ENSUING MERGER AND
CANCELING INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Section 364.33, Florida Statutes, provides that a person may not acquire ownership or control of any telecommunications facility, or any extension thereof for the purpose of providing telecommunications services to the public, including the acquisition, transfer, or assignment of majority organizational control or controlling stock ownership, without prior approval from this Commission.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Coastal is the holder of Interexchange Telecommunications (IXC) Certificate No. 4737. Eclipse is the holder of IXC Certificate No. 3178. By letter dated February 2, 1999, Coastal Telecom Limited Liability Company d/b/a Coastal Telephone Company (Coastal) and Eclipse Telecommunications, Inc. (Eclipse) filed with this Commission an application for approval of transfer of control and ensuing merger of Coastal to Eclipse. The companies further requested the cancellation of IXC Certificate No. 4737.

The companies have stated that upon acquisition of the membership interests, Coastal will be merged with and into Eclipse. Eclipse will be the survivor of the merger with Coastal, and Coastal will surrender its certification in Florida. Their current customers will not be affected adversely because Eclipse will be incorporating into its tariff Coastal's tariffed prices, terms, and conditions of service. The companies further stated that they will send appropriate notifications to the affected customers and that in no way disrupt service to Coastal's customers. Eclipse will continue to operate under its existing certificated name on file with this Commission.

In accordance with our authority under Section 364.33, Florida Statutes, to approve the acquisition or transfer of majority organizational control or controlling stock ownership of a telecommunications company providing service in Florida, we have reviewed the Petition of Coastal and Eclipse, and find it appropriate to approve it. We have based our review and decision upon an analysis of the public's interest in efficient, reliable telecommunications service. Our decision does not address the potential impact of the transfer on the competitive market in Florida, or on the companies' or their competitors' interests. We emphasize, however, that our approval of the Petition pursuant to our authority under Section 364.33, Florida Statutes, does not preclude us from addressing any of our concerns that may arise regarding this transaction to the appropriate federal or state agencies.

Coastal has complied with the provision of Rule 25-24.474(2), Florida Administrative Code, by providing adequate notice in writing of its request for cancellation of its IXC certificate and by submitting its regulatory assessment fees for 1998. Accordingly, we find it appropriate to cancel IXC Certificate No. 4737, effective February 2, 1999.

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Coastal shall return its certificate to this Commission. In addition, under Section 364.336, Florida Statutes, certificate holders must pay a minimum annual regulatory assessment fee of \$50 if the certificate was active during any portion of the calendar year. A Regulatory Assessment Fee Return notice for 1999 will be mailed to Coastal. Neither the cancellation of its certificate nor the failure to receive a Regulatory Assessment Fee Return notice for 1999 shall relieve Coastal from its obligation to pay regulatory assessment fees for 1999.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that Coastal Telecom Limited Liability Company d/b/a Coastal Telephone Company and Eclipse Telecommunications, Inc.'s request for approval of transfer of control and ensuing merger of Coastal Telecom Limited Liability Company d/b/a Coastal Telephone Company to Eclipse Telecommunications, Inc. is hereby approved. It is further

ORDERED that Coastal Telecom Limited Liability Company d/b/a Coastal Telephone Company's Certificate No. 4737 to provide Interexchange Telecommunications services is hereby canceled, effective February 2, 1999. It is further

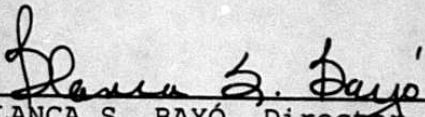
ORDERED that Coastal Telecom Limited Liability Company d/b/a Coastal Telephone Company shall return its certificate to this Commission and remit regulatory assessment fees for 1999. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

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By ORDER of the Florida Public Service Commission, this 23rd
day of April, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 14, 1999.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date.

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Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.